

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: May 4, 2011
POSITION: Neutral

BILL NUMBER: AB 697
AUTHOR: M. Perez

BILL SUMMARY: Veterans: Home Acquisition: Interest of Record

This bill would allow the California Department of Veterans Affairs' CalVet Home Loan Program (Program) to refinance a veteran's existing home loan mortgage, provided the existing loan was not originated under the Program.

FISCAL SUMMARY

The CDVA indicates any costs resulting from this bill would be minor and absorbable within existing resources.

COMMENTS

The Department of Finance is neutral on this bill because it would allow additional veterans to participate in the Program at minimal cost to the state.

Existing law establishes the Program, which uses general obligation bonds to assist veterans in acquiring homes and farms. The bonds are repaid by the monthly mortgage payments made by the veterans. Under current law, the Program cannot be used for refinancing purposes.

This bill would allow veterans to refinance their existing mortgage through the Program if the existing loan was not acquired through the Program.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2010-2011	FC	2011-2012	FC	2012-2013	Code
8955/Vets Affairs	SO	No	----- No/Minor Fiscal Impact -----						0592
<u>Fund Code</u>	<u>Title</u>								
0592	Veterans Farm & Home Building Fund 1943								

Analyst/Principal (0221) John Fitzpatrick	Date	Assistant Program Budget Manager	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS	Form DF-43 (Rev 03/95 Buff)
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